

**ALBERTA BEEF PRODUCERS
MINUTES OF THE BOARD OF DIRECTORS MEETING
THURSDAY MARCH 26, 2009, 8:30 a.m.
AT THE ABP BOARD ROOM, CALGARY, ALBERTA**

Present: Rick Burton - *Chair*
Erik Butters - *Past Chair*
Kevin Boon - *Vice Chair*
Doug Sawyer - *Finance Chair*
Gerald Maser - *Zone 1*
Cecilie Fleming - *Zone 2 (alternate)*
Brian Edge - *Zone 3*
Frank Murphy - *Zone 4*
Rob Somerville - *Zone 5*
Greg Bowie - *Zone 6*
Roy Eckert - *Zone 6 (at large)*
Ben Schrader - *Zone 7*
Darcy Eddleston - *Zone 8 (at large)*
Janys Boyte - *Zone 9*
Stuart Thiessen - *CFC*
Dave Solverson - *CFC*
Chuck MacLean - *CFC*
Darryl Carlson - *CIC*
Larry Delver - *CIC*

Staff: Rich Smith - *General Manager*
Laura Procnier - *Controller*
Adrienne Waller - *Legal Counsel*
Barb Sweetland - *Promotion Manager*
Fred Hays - *Policy Analyst*
Lori Creech - *Comm. Manager*
Rosanne Allen - *Executive Assistant*

Absent: Brent Carey - *Zone 2*
Brian Chomlak - *Zone 8*

The Chairman called the meeting to order at 8:40 a.m.

1. Adoption of Agenda

Additions: 6(c)(i) Bill 19 Land Assembly Act; 6(d)(x) National Farmed Animal Strategy;

(a) Approval of Agenda:

Motion by Thiessen/Bowie:

“That the Agenda be approved with the changes discussed.”

Carried

2. Approval of Minutes

(a) Minutes of the February 18, 2009 Meeting:

Motion by Maser/Eckert:

“That the Minutes of the February 18, 2009 Board of Directors meeting be approved with changes.”

Carried

3. Financial Statement

(a) Financial Statement ending:

Sawyer gave the Board a brief update on the financial statement.

Motion by Sawyer/Edge:

“That the Financial Report be accepted as presented for information purposes.”

Carried

(b) Review amended 2009/2010 Budget:

Sawyer spoke briefly on the amended budget stating that it reflects the decisions that were made at the last Board meeting.

4. Decision Items

(a) Check-off Challenge:

The Board spent a considerable amount of time discussing the check-off challenge. It appears that the provincial government is willing to intervene in the industry despite our position that changes in check-off collection and industry organizations must be decided by producers and producer organizations. The directors reviewed our strategy for informing producers about the check-off challenge. We have sent a summary of our key messages to all delegates and are encouraging delegates to contact influential producers in their areas. We also are asking delegates and producers to convey our messages to MLAs and other government officials.

There was further discussion about the best methods for contacting the government and consideration of the use of form letters or petitions, while recognizing that individual letters from constituents are best. It was agreed that letters must have common messages and possibly should have common headings. Zone 9 is looking into bringing their delegates together with the MLA's in their area. Boyte suggested putting a copy of the BIA presentation and the ABP presentation to Rural Caucus on the ABP website. The Board agreed that the BIA presentation should be added.

Burton is meeting with Minister Groeneveld this week and will be asking for time to resolve differences with ACFA and WSGA before the government takes any action on the check-off.

(b) Provincial Government relations:

The Board recognizes the need to increase our efforts to improve relations between ABP and the provincial government. ABP has engaged Prismatic Group Inc. to assist with the development of strategy for improving government

relations. The consultants are currently conducting a political audit of MLAs to assess the knowledge about and attitude toward ABP. When they have completed the audit, they will be presenting the results and their recommendations to ABP. Prismatic will provide advice and assistance on improving government relations, but their view is that the best lobbyists are people within the organization itself.

(c) CCA Director Decision:

Travis Toews has been elected as the Vice President of CCA and we now have an opening for another ABP director to sit on the CCA Board. Burton suggested that we defer making any decision on filling the vacancy until the Semi-Annual General Meeting when an election can be held.

Motion by Murphy/Thiessen:

“That the ABP representative to fill the vacant Canadian Cattlemen’s Association director position be elected by delegates at the Semi-Annual General Meeting.”

Carried

(d) Marketing Agricultural Products Act (MAPA) Update and strategy:

The government is involved in an extensive review of the *Marketing of Agricultural Products Act* (MAPA), the legislation under which ABP operates. Minister Groeneveld has introduced minor housekeeping amendments to MAPA in the current legislature session, but more comprehensive amendments are planned for 2010 or 2011. As part of the review, the Agricultural Products Marketing Council commissioned a survey by Ipsos Forward Research. Doug Sawyer, Ben Schrader, Greg Bowie, Kevin Boon and Rich Smith attended the meeting that MAPA held to discuss the results of the survey. Smith discussed the results of the meeting with the Board. Although there are significant questions about the validity of the survey results, the meeting provided a good opportunity to talk with representatives of Marketing Council and other commodity organizations.

(e) Animal Health Act Regulations:

Thiessen reported to the Board on the Animal Health Act regulations. ABP is still reviewing the first three regulations that came into force on January 1, 2009 and ARD is committed to addressing the major weaknesses in these regulations. A letter is being written regarding the reportable diseases regulation and the government will be proposing amendments to the traceability identification regulation. ABP will be hosting a meeting in early May to review four more regulations and we have just received a summary of an additional three regulations for which comments are needed by late April. Thiessen did not see any major problems in the three most recent regulations, but there may be issues for auction markets in one of the regulations and Cattle Industry Council will be reviewing these regulations.

(f) Marketing Organizations merger (CBEF/BIC):

Eddleston is on the Steering Committee that is overseeing work on this possible merger and updated the Board on the current situation. Deloitte, the consulting firm that was hired to consider the merger of the two organizations, has completed its report and presented four options for organizational models to the Steering Committee. The recommendation from the Steering Committee that has been approved by the CCA Board of Directors is to try Model One, the use of mentors and a facilitator to develop closer collaboration and cooperation between the organizations, for a limited time period of four months. If this model is not successful, the recommendation is to move to Model Four, the creation of a single new marketing organization with two divisions and a single new Board.

(g) ILC Invitations update:

At this point, Somerville and Bowie have identified which states would be invited, assuming the federal government will assist with the travel costs. The question needed to be clarified whether the \$19,000 also covered the costs of ABP representation at ILC. Though the original cost breakdown covered costs for ABP representatives, they are not included in the motion to cover costs for American representatives.

(h) AGM Resolutions:

Smith informed the Board that the majority of the resolutions that were carried at the AGM have been addressed already. The Board discussed the few that still needed to be addressed and came to decisions regarding the appropriate action to deal with these resolutions.

(i) ABP Plan Amendments and Authorizations regulations:

Waller joined the Board to discuss the current position of the plan amendments. The Authorization Regulation has been approved by Marketing Council and signed by the Minister. The proposed plan amendments have been sent to Marketing Council and are in the hands of the legislative counsel. Waller is working closely with legislative counsel in order to have the amendments ready to present to delegates at the Semi-AGM.

5. In Camera

6. Discussion Items

(a) ALMS/ALMA Update and strategy:

Kevin Boon, Doug Sawyer, Chuck MacLean, Stuart Thiessen, Brent Carey, and Rich Smith met with Kim McConnell and Cherie Copithorne-Barnes of the ALMA. It was a very productive meeting at which they discussed the role of the ALMA and the relationship between the ALMA and ABP. McConnell felt that ALMA should be a catalyst for industry initiatives and that ABP should have a large role in these initiatives.

ALIDF will become a division of ALMA and will continue with much of its current mandate under the direction of the

ALMA Board. Ken Moholity is the interim CEO of the ALMA and a recruiting firm has been engaged to find a permanent CEO for the agency. ABP presented our concerns about the membership on the Cattle Producer Advisory Committee and we learned after the meeting that ALMA intends to add two more producers from northern Alberta to this committee.

Woodlands Rancher's invited Burton to meet with them in February. One of the issues that Woodlands had was the process used to pick a representative to the Cattle Producer Advisory Committee. Burton explained the reasoning behind ABP proposing him as our representative on this committee.

Motion by Soverson/Maser:

“Be it resolved that the ABP Board of Directors ratifies the appointment of Rick Burton as the ABP representative on the Cattle Producers Advisory Committee of the ALMA.”

Carried

Burton will be attending the first meeting of this committee on March 27, 2009.

Boyte brought forward the concerns that are coming out of Zone 9 in regards to the second AFRP II payment and there was a suggestion that ABP prepare a document clarifying our work on and response to AFRP.

(b) CCA Report:

The Canadian Cattlemen's Association held its AGM in Ottawa from March 16th to 20th, 2009. Brad Wildeman was re-elected as President of the CCA and Travis Toews was elected at Vice President. Three of the eight ABP directors on the CCA Board, John Schooten, Dave Solverson, and Kevin Boon, also will be part of the CCA Executive. Sharon Jensen is putting together a communications package for CCA. They are looking at putting up electronic bulletin boards in auction marts that can be controlled from one point, CCA annual reports will come out in January without waiting for the audited financial reports.

(c) Margin Coverage Concept (MCC) update:

AFSC is continuing their work on the development of the MCC, a program intended to be an alternative to AgriStability. Murphy, Hays, and delegate Ted Ford are working on the external steering committee that is advising AFSC on the program development.

AFSC is hoping that the MCC will be more timely, predictable, and manageable than CAIS/AgriStability. This is a provincial concept, but they have been promoting it across Canada. There is a pilot project that will be run in 2009 to see how it compares to AgriStability. It will have some advantages over CAIS but will still have some of the problems that producers have associated with CAIS.

1. Land Assembly Act (Bill 19):

Burton spoke with Waller regarding Bill 19 but she did not have any input at this time. Smith has been following the progress of Bill 19. Land owners across the province have expressed serious concerns about the Land Assembly Project Area Act. The Alberta government has proposed significant amendments to the original bill that will hopefully address the concerns of the land owners.

ABP will continue to monitor this situation and the Board discussed supporting a Surface Rights group if ABP agreed with its position. Delver, Carlson and Somerville volunteered to review the legislation, follow the developments on the bill and report back to the Board.

(d) Committee/Council Reports:

(i) Cattle Feeder Council:

MacLean updated the Board on the activities of CFC. CFC will be inviting someone to speak about traceability.

(ii) Cattle Industry Council:

Cattle Industry Council held their annual open meeting during the Alberta Beef Industry Conference. One of the messages that came out of the meeting was for CCA to encourage the Canadian government to pursue trade action under WTO regarding mCOOL. There are some issues coming up on the horizon and they are looking to work with CFC on the discussion paper on the AHA regulations and LICA. LICA deals with the sale and transportation of livestock and the issue is whether AHA should deal with transportation or leave it with LICA.

Smith will circulate copies of the discussion papers to delegates.

(iii) Communications Committee:

Fleming submitted a brief report on the committee stating that a more complete report, along with the Terms of Reference, can be found in the package.

(iv) Competitiveness/Value Creation Working Group:

Somerville spoke to the Board about the goals and objectives of the working group.

(v) Cow/Calf Committee:

The committee has had two meetings and briefly described what the committee has been working on, including the Wildlife Damage Sub-committee. Hays is doing some work on the cost of BSE to cow/calf producers.

(vi) Environment Committee:

There was a conference call earlier this week to deal with some funding requests.

(vii) Promotions Committee:

There was a Promo meeting on February 26th and Roy met with AdFarm yesterday to discuss future ideas. There were some questions regarding the piece on red meat causing cancer. BIC has some points available for producers.

Chairman

(viii) Research Committee:

Edge told the Board that information on the committee was submitted for the package.

General Manager

(ix) CBEF Update:

MacLean told the Board that information on CBEF was submitted for the package.

(x) National Farmed Animal Health Strategy:

Delver attended a meeting on the strategy and spoke to the Board about the goals and objectives of the strategy.

7. Reading Material

- (a) BOD Resolutions and Action Items
- (b) Beef Supply at a Glance

8. Next Meeting and Upcoming Events

- (a) Red Meat Reception – April 29, 2009 – Royal Glenora Edmonton, Alberta
- (b) Board Meeting – April 30, 2009 – Delta Edmonton South
- (c) Semi-Annual Meeting – June 8 – 10, 2009, Delta South, Edmonton, AB
- (d) ILC – July 10, 2009, Stampede Grounds, Calgary, AB
- (e) Board Meeting – July 16, 2009, ABP Board Room, Calgary, Alberta TENTATIVE
- (f) Board Meeting – September 17, 2009, ABP Board Room, Calgary, AB
- (g) Board Meeting – October 15, 2009, ABP Board Room, Calgary, AB
- (h) Resolution Committee meeting – November 18, 2009, ABP Board Room, Calgary, AB TENTATIVE
- (i) Board Meeting – November 19, 2009, ABP Board Room, Calgary, AB TENTATIVE
- (j) New Delegate Orientation – November 25, 2009, ABP Board Room, Calgary, AB TENTATIVE
- (k) Annual General Meeting – December 7 – 9, 2009, Sheraton Cavalier, Calgary, AB

9. Adjournment

Adjourned on a motion by Thiessen at 4:45 p.m.